Interview with Theodore E. Gildred

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

AMBASSADOR THEODORE E. GILDRED

Interviewed by: Hank Zivetz

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Q: Mr. Ambassador, we usually start with a question about how you got your position as Ambassador to Argentina. Yours was a political appointment. Was there some background in Latin America that prompted an appointment to Argentina?

GILDRED: I'm sure there was because I was born and raised in Latin America, spent the first 15 years of my life attending school in Latin America and Mexico City, then returned to Mexico some years later where I worked for about five years.

I had over 20 years of direct living experience in Latin America, and was brought up biculturally and bilingually. My first language was Spanish, not English. The history that I read was out of Mexican history books, not American history books.

Consequently, I probably have a little different perspective simply because of the fact that I was born and raised outside of this country. As a matter of fact, this background helped me a great deal in my dealings with Latin American leaders and business people, as well as other elements that an ambassador has to deal with.

Q: In my research on Argentina for the period in which you served, late 1986 to the middle of 1989, I find that there were three major issues that confronted the people

and government of Argentina. One was how to deal with the aftermath of the military dictatorship. This is the period of Alfonsin, when you were there. Another was the economic woes that they faced, high inflation, loans that had to be paid off. And then a question of change of leadership.

Could we address the first one, the problems that the government faced with the residue of the military dictatorship and the unrest of the military. There were some issues that came up at this time in early 1987. A former general was arrested in the United States and extradited to Argentina, as one example. Could you elaborate a little bit on how intimately the embassy became involved, if at all, in these problems faced by the Alfonsin government.

GILDRED: Well, this became a very important issue in the second half of Alfonsin's administration, the half that I experienced.

In the first few years they were addressing other issues — namely inflation, which was rampant in the mid-80s and had to be controlled, and a lot of union issues. They let the military issue and human rights issue (the two are directly related, one and the same almost) slide a little bit. I think that they, unfortunately, paid a heavy price for disregarding or trying to suppress that problem.

As you know, Argentina has a very sad, long history of military intervention in government. It goes back over 100 years. I am, however, not addressing the earlier military role in Argentine history. I am addressing more the period of Peron and thereafter . . .

In terms of modern history, Argentina can almost be divided into two periods: the pre-Peron period and the post-Peron period. I don't think anyone in the history of Argentina had more of an influence — and in my opinion a destructive, negative influence — on what has happened to make the country what it is, than Peron. There is no question that

Peron set the country back very significantly by going to a very statist, paternalistic type of government.

Then, in the 1970s when Peron returned to power and died in office, he left his second wife in charge of the country. She had been named vice president and inherited the presidency when the military was poised to take over. For years the military had been adversaries of Peronism and they were, I think, convinced that Isabel was going to undo the country. Through inept handling of the government, she did in fact bring the country to almost total chaos politically and economically by 1976 when the generals took over. From the general public's standpoint, the military had a genuine mandate to take over. Unfortunately, Argentine civilians themselves have often been part of the equation that brought the military to power. Certainly in 1976, there was a general feeling that only the control and the discipline of the military could correct a situation of total confusion approaching anarchy — where the extreme Right and the extreme Left were tearing the country apart. The military felt then, and feel now, that they were doing a job that the people had asked them to do when they took over.

The excesses that were committed are very clear. I think the facts stand for themselves. Probably nine to ten thousand people, and maybe more, literally disappeared during the late "70s when the military was trying to restore order to the country. In their efforts to restore order, they went to the extreme. This led to a lot of very flagrant human rights abuses, and in many cases, outright criminal acts. Not all of those nine to ten thousand people who are known to have “disappeared” vanished because of the military; there were other elements that were also to blame, mainly the radical Left. Undoubtedly, the Leftist groups that emerged took their inspiration from Che Guevara. Guevara, an Argentine, was a key strategist in Castro's takeover of Cuba and became one of the leading lights of the Communist regime there. When he went back to South America to create turmoil and chaos, he did a good job. Che's revolutionary influence played a big role during those

years in Argentina. At the end of the "70s, the military finally managed to eradicate the Montoneros and things were finally normalized, but only at great human cost.

Also, the military were harshly judged on their performance and loss of the Falklands War in 1982.

So you have those two factors: the human rights abuses that can be directly traced to many in the military; and the loss of the war, with the ensuing blame that was placed on the generals and commanders for that sad experience. Again, you have to remember that when that war was declared the Argentines were out in the streets en masse with probably 90 percent of the people exuberantly supporting the war against the British and determined to do whatever they had to do to regain the Malvinas (the Falkland Islands). So, again, it wasn't just the military.

Unfortunately, the military, when it was all over, became the scapegoats because the general society usually, and certainly in the case of Argentina, doesn't want to accept its full responsibility. In Argentina, the military was probably blamed for more than it justly deserved. In the presidential campaign of 1983, Italo Luder, the Peronist candidate, was in favor of a pardon or general amnesty for the military. Alfonsin was not in favor of a military pardon and, to his credit, was one of Latin America's first presidents to make the military accountable for their actions.

Uruguay went through a similar experience with human rights abuses during its military period. Sanguinetti, who became President of Uruguay at about the same time that Alfonsin took charge of Argentina, addressed the problem differently, confronting it early on with an amnesty and then a general plebiscite. He probably handled the military problem more pragmatically and had less difficulty in the long run.

Alfonsin's administration delayed resolving the military issue. They knew it was volatile but they had little understanding of the military mentality. This situation was seething on both sides. There was pressure from the human rights advocates, primarily the Mothers of the

Plaza de Mayo who, towards the end, may have been co-opted by Leftist elements more interested in creating turmoil than in seeing justice done. They used the issue to cause trouble for the government, and to agitate against the military. Initially, the movement of the Mothers of the Plaza de Mayo was a very legitimate response to the tragic losses they had personally experienced. It became something else.

Soon after I arrived as Ambassador in 1986, the Radical Party began facing increasing pressures from the human rights activists calling for stepped-up investigation and prosecution of the military, who by that time were tired of feeling like social outcasts, embarrassed to go out on the streets in uniform. The military felt that they had unfairly borne the brunt, had become the scapegoats for everything that had gone wrong during the years of authoritarian government. They began to voice, in a militant way, their desire to be given back their pride. They demanded a final resolution to their plight, a solution that in their minds could only be one of general amnesty.

The military had undergone a dramatic change from ten years before when it played a strong and proud role in Argentine society. Then it had been a very respected career. Certainly that was no longer so.

Pressure mounted rapidly to bring this issue to a conclusion. In 1987 Alfonsin chose what he called the “Punto Final,” which was an attempt to limit the ongoing prosecution to documented cases involving only commanders that were responsible for giving the orders. The “Punto Final” decree was enacted but did not really address the overall problem to the satisfaction of the military.

From 1987 to 1989, there were three military uprisings or concerted acts of disobedience. These were not coups or attempted coups. They were manifestations of dissatisfaction on the part of militant elements of the services — primarily the Army — that were trying to pressure the government into an amnesty and revindication of the military.

The whole thing remained a very, very hot issue right through to '89 when Carlos Menem was elected president. In normal circumstances, Menem would have been inaugurated in December, but Alfonsin resigned in July and Menem took office early. I think Alfonsin felt that he was losing control of the situation due primarily to the rapid unraveling of the economy and felt that the only person that might be able to put things back in some order would be Menem. Menem had clearly won the general elections with the support of the military, the support of the unions, and the support of the Argentine people.

In 1990, Menem decided that he had to grant an amnesty for the military. I think most Argentines felt the issue had become so disruptive to their society and had gone on for so long that, if the country was going to come together and face all of its other problems, an amnesty was the only way to put the matter behind.

Q: Did the Argentine populace view the United States as an actor in all of this?

GILDRED: No, certainly not in the elections, although we made it clear to the military that we were opposed to any action that might undermine Argentina's democratic process. The Carter administration was accused of intervention by the military government in the late "70s when we cut off all military aid to Argentina on the basis of human rights abuses. This action taken by our government, I believe, was the proper thing to do.

Although we were always on record as to our position on human rights, the Reagan administration was very sensitive to Argentina's wishes regarding the handling of their own internal affairs. Certainly the issue of human rights was one of the key issues Argentina faced, and we tried to help in a positive, yet non-interventionist, way.

We stayed away from approving or disapproving of an amnesty because, as I said, that's a sovereign issue that had to have an Argentine solution. We could not tell them officially or unofficially that they ought to do something to bring about an amnesty or that they should continue prosecuting the military because that would have been overstepping our bounds.

So, in answer to your question, we didn't intervene. I don't think they ever felt that we tried to direct them or instruct them on what was right to do or wrong to do.

Q: Just one more question in this regard. Alfonsin went to Washington in 1988. Did you accompany him at that time?

GILDRED: Yes, I did.

Q: Was this issue raised at all in these meetings in Washington?

GILDRED: Yes. It was raised by Secretary Shultz. It was raised insofar as how that issue was going and was President Alfonsin comfortable that this issue could be properly handled so that it didn't become overly inflamed and create problems that could destabilize the democratic process.

I think Alfonsin made it very clear that his administration was one of the first Latin American governments that put the military on trial, which resulted in many members of the military being jailed for crimes against humanity.

I think that, in the history of Latin America, Alfonsin's bravery in holding the military responsible for their behavior will go down as a real landmark action that few governments have had the temerity to attempt. They have always been so afraid of the military that they never did anything after the military stepped down.

Alfonsin did. He was very proud of the fact that he was a true defender of human rights, had prosecuted the military, and would continue to prosecute. But he also admitted that this issue was starting to pull the country apart and needed a solution.

We did find that his trip here generated a lot of interest from US human rights advocacy groups — the banner carriers. There were several demonstrations on his trip to the East

Coast and then again on his visit to the West Coast — not major demonstrations, but hostility toward Alfonsin for not doing more than he was doing.

And yet, there were many Argentines who felt that he had let the human rights thing go too far and, if he didn't do something quickly to ease the situation, the armed forces were going to rebel against the never-ending prosecutions. That is, in fact, what began to happen.

Q: Let's shift to the economic problems that his government faced and the involvement of the United States, particularly the American Embassy in Argentina. From my understanding they had some real, deep-seated economic problems in terms of inflation and debt. Was this a major concern of the embassy in the period in which you served?

GILDRED: Yes, you certainly addressed one of the main issues of concern. My instructions were quite general and gave me a lot of latitude. Basically, my mission was to help the Argentine government consolidate its democracy and to help the institutions that needed to become more democratic continue on that path.

By that, I'm talking about things that we did with the unions, using a lot of our own union leaders to try to create a less conflictive situation in Argentina.

We were also very concerned with helping the Argentines re-establish the military under civilian control, something that had not existed in Argentina in the past. The military always had almost a fully autonomous position. They were a state within a state. We felt it was very, very important to help the Argentine government strengthen its democratic process. They wanted to change the mentality within the military, to have them accept civilian control through the Minister of Defense. The minister would be the only person that could make key decisions for the military, which is the established system in most democracies.

We went about this, of course, with a lot of sensitivity obviously, because we did not want to have the military feel that we were directly intervening in their internal operations. But

we did make it very clear to the military: There will be no direct military-to-military dealing. From now on, it will be through the government, through the Minister of Defense. He and only he will talk to the Pentagon. He and only he will negotiate assistance matters with us, so that the democratic civilian government can have proper control over the military.

Q: And what about the economy? Was there anything directly that we did to help Alfonsin meet the crisis that he faced?

GILDRED: Let, me, if I may, just backtrack to the previous subject for one second because I think this is very important.

I felt that the military issue was key because as long as the military had this feeling that they could operate independently because they were the guardians of the society, and they could, as an autonomous entity, act independently from the government, they would continue to be a real danger to Argentina's ongoing democratic process.

I wanted to make it very clear to the Argentine military that the Minister of Defense could effectively work for and fulfill their legitimate needs, so I worked with Minister of Defense Jaunarena. We became very good friends. I probably worked with him as closely as any of the ministers (with the possible exception of the Minister of Economy, Sourrouille) in trying to re-establish a supportive relationship between our countries.

The military relationship between Argentina and the Pentagon was almost totally severed by the advent of the Falklands War. We were viewed as having supported the Brits — and the Argentines will not forgive nor forget that. So, for certainly the first three years of the Alfonsin administration, communication between the US and Argentine armed forces was very poor. Our military presence at the embassy in Argentina was greatly reduced after the Falklands War (at their request). Our military support team, made up of Department of Defense attach#s and Milgroup staff, was reduced to the absolute minimum.

I was concerned with this reduction because if we were going to try to help Argentina, we had to help revitalize their military and at the same time help them to become a more democratic institution. To do this we had to establish ourselves as a viable ally able to provide the help that was needed.

Now this was very difficult to do when, on the one hand, Mrs. Thatcher was saying: “We don't want you, the United States, to do anything that would enhance whatever military capabilities the Argentines might have. We don't want them to be in a position to do again what they did during the Falklands War.”

Yet we in the State Department, and I think the Pentagon, felt that we had to re-establish a good, sound relationship with the military as part of our effort to help Argentina democratize itself. This is why I spent a lot of time getting Jaunarena, the Minister of Defense, up to Washington for a first meeting with Secretary of Defense Weinberger.

Weinberger, in my opinion, was not overly interested in Argentina. He was certainly a great friend and admirer of the British, and the general feeling was that there would be little help of any substance from the Pentagon on Weinberger's watch. It was only in the second meeting (after Weinberger had stepped down and Secretary Carlucci took over) that the renewed talks with the Pentagon began to be meaningful. Carlucci, I think, reflected the feelings of the State Department and the Pentagon that it was in our best interest to start turning things around and re-establish a good relationship with the Argentine military.

The outcome of the meeting with Carlucci was the first assistance package approved for Argentina in almost ten years. It was a first step toward re-establishing assistance in the form of a small package to refurbish some of their idle equipment. Instead of giving or lending them money or giving them a lot of sophisticated equipment, we felt a logical first step was to help them refurbish their existing equipment, which, for lack of parts or maintenance, had been idled. We felt that, if we could help them put that equipment back in operation, it might keep more of the military occupied and, therefore, help to quell the

discontent and trouble-making. A lot of the military were sitting around in the barracks very disgruntled because they had no airplanes to fly or weapons and equipment to train with. The war had devastated the limited equipment they had.

So this was one of the important efforts. Now that the Argentines and the British have re-established almost normal relations — something we worked very, very hard on — I think some real progress on the military aid relationship will be possible. We certainly pushed behind the scenes to get them to normalize Anglo/Argentine relations.

Q: Was this an American initiative?

GILDRED: No, it was not an American initiative, but there was a strong American involvement in assisting this initiative, which I would say (and I might be biased) was probably more of an Argentine initiative than a British one.

The British were standing back. They weren't putting out any meaningful gestures to try to re-establish relations. If anything, their unilateral creation of a protective zone of 150 miles around the Falklands and prohibiting the Argentine Navy from going into those waters — which were international waters (and in the Argentine government's view, Argentine waters) — were working against our efforts to help them get together.

This was a very frustrating situation for us. Menem, when he became president, realized that these efforts were worthwhile even though they had been unsuccessful during the Alfonsin administration. He addressed the issue early on with some very capable people, primarily Ambassador Garcia del Solar, a long-time career diplomat who had worked on the Falklands/Malvinas problem before the war and was very familiar with it.

Our efforts almost got there, but it didn't quite happen. When Menem came in he must have said, “Let's put this thing to rest.” I don't know the final details, but the general plan that we had worked on finally came together this past February. The British and the

Argentines initiated talks and, as a result, have now re-established — after all these eight years — semi-normal relations with embassies in their respective countries.

Q: Let me put this question to you in a little different way. Very often you can tell the major thrust of American policy in a particular country by the way we staff our different embassy sections. Would you say that the political section was more important in your embassy than the economic, or was the economic more important, or was it a standoff?

GILDRED: I think every ambassador has the ability to establish priorities, but he has to work with what he's got. A lot has to do with the staff he inherits. Obviously, the economic team at the embassy has to be very, very good because this is one of the most important areas of focus. I'm not so sure that we had an overly strong economic team when I got there and in the several years before. I think greater emphasis probably should have been put on that section. I did what I could to change this but, as you know, you're limited in the ability to move people in government. I made a couple of changes in our economic section that I think strengthened it and allowed me to deal more effectively with the Argentine government and the Ministry of Economy.

So even though I put a great deal of emphasis on our economic section, I may have given more importance to our political section. That capability, in my opinion, had to be very strong. Fortunately, my political counselor, Bob Felder, was one of the most able political officers that I have had the pleasure of knowing. He was of great assistance to me in all of our dealings which, although mostly political in nature, transcended in many cases the realms of economics, trade, drug enforcement, military affairs and other areas of concern. Everything comes together in some fashion under the political section.

But those two sections, along with our military people, became more aware that we did want to work more closely with the Argentines in helping them put together the right kind of a military, and this was probably my key focal point. These sections had very specific

objectives. The ambassador is the one who has a more general mission, which, in my case, was to help consolidate democracy in Argentina.

How do you do that? Well, that's really up to you because Latin America is so far down on the list of foreign policy priorities that, unless there is a major crisis, the State Department lets you alone. It is my personal opinion (I think shared by many) that many of us who were ambassadors in Latin America were given a lot of free rein because the State Department was much more preoccupied with other issues and areas of foreign policy. Certainly the East-West agenda has usually dominated our thinking for the last 40 years. And what happens is that many of our ambassadors in Latin America do have more latitude in dealing with the in-country issues they give priority to. As I said, in my case, it was the economic issues, military issues, and certainly the political issues that I focused on.

Q: One of the major economic issues was the debt and the effort by the Argentines and Alfonsin to reduce the debt in some way. I think this was one of the issues that he raised when he came to Washington, wasn't it?

GILDRED: Alfonsin felt that Latin America was drowning under the weight of the debt. He kept talking about a reversed Marshall Plan, where, instead of development capital coming into Latin America, a tremendous hemorrhage of money was flowing out just to service the debt.

I'm afraid there was a certain amount of truth to it. The massive debt they have taken on is posing a great burden to countries like Argentina that can't even pay their interest. They have to spend a tremendous amount of effort addressing that issue to just keep their heads above water by rolling over loans or agreements with the IMF, the World Bank, and the international creditor banks. A very sad situation — just keeping your head above water, with no ability to go out and develop new projects because there's no capital to do so.

Yes, this was a major Alfonsin issue. At the same time, I reminded Alfonsin that it was too bad that Latin America (and Argentina), who had had access to tremendous amounts of capital, over 400 billion dollars in loans, had very little to show for it. The funds were, for the most part, mismanaged, misused, or squandered by poor government and corruption. This reality, however, was not easy for him to accept, saying, “This is not fair. We're paying this interest, but now we can't develop our countries because we can barely cope with the debt. Something has to change.”

I am sure that what he was interested in was a very simple solution: total or partial forgiveness. Certainly not very realistic but, again, it was hard for him, as the product of a paternalistic, statist form of society where the government is involved in everything, to understand that the debt was not controlled by the United States government. Even if the United States government wanted to cut the debt, it couldn't, because most of that debt was owed to international banks. And of that bank debt, American banks played only a 30 percent part.

There were no simple solutions. As much as he wished it, there was no way that the United States could make the problem go away.

Q: We find that around the world. We have just a couple of minutes, I know you have another appointment. Could you very quickly then, if you wish and if you're willing, give us an evaluation of Alfonsin, and then as much as you knew about Menem because he did come in while you were still there. How capable are these people, starting with Alfonsin, what did he bring and what did he lack?

GILDRED: I had great admiration for President Alfonsin. I think he was a great democrat, a man who will go down in history as probably the one person who started the transition to a true democracy in Argentina.

As much as Argentines talk about democracy, until very recently I don't think they really understood it or even experienced it in its true form. Alfonsin turned the country around to greater reality with a new democratic form of government.

His weakness was that he was very uncomfortable with most of the economic issues. He was naive about just how free economies worked. Consequently, he didn't have a real plan. He was looking for simplistic solutions, and those just made the situation worse. Because of his naivete or lack of ability to get a handle on the real economic problems and what measures to take, he didn't take the right measures when he could have.

He certainly had a Minister of Economy who understood economics, was trained in the United States, and who, I'm sure, in many cases would have liked to have done things that Alfonsin and the Radical Party did not do because they were scared of the political cost.

They had the perfect opportunity in 1985 when they announced the Plan Austral to slow inflation and stabilize the currency. The country was ready for the government to institute a strong plan and take forceful measures, even though it was going to be painful. Unfortunately, Alfonsin didn't realize that. Alfonsin simply did not do the things he had to do when he had the opportunity. He will be remembered, I think, as the man who “could have but didn't,” because he didn't really understand that the people were ready.

He was a man who wanted to change the image of a self-destructive, irresponsible Argentina to one of a responsible, predictable country willing to accept its leadership role in the Latin American picture. To a large extent, Argentina did become a respected player on the Latin American scene during his administration, figuring prominently in Third World politics as well.

Q: Now how did Menem, in the short time that you knew him, how did he differ?

GILDRED: I got to know Menem certainly as well as Alfonsin during my stay in Argentina.

I took it upon myself to visit every one of the 22 provinces. In the first year and a half, I visited each province and met with the governors and most of the provincial legislatures. The first province I visited was La Rioja, where Carlos Menem was the governor. He was the only governor in my visits to the provinces who invited me to stay at his home with him, which I thought was a very special gesture.

He is a charming human being. I don't think there are many people who meet Carlos Menem and don't come away impressed by his warmth of personality. He has a nice personal touch. He also has a certain political canniness, a natural intuition, that makes him an astute politician as well as a very personable man. He's certainly not dry or austere as many politicians can be, but neither was Alfonsin, who had very much the same charm.

Carlos Menem is a man of the country, not the city. He was a small town country attorney who got involved in Peronist politics early in his career. I, along with others, have a suspicion that Menem is not a true Peronist in the philosophical sense of the word. He's more of a pragmatist. I think there are a lot of people today in Argentina who are saying it's impossible for this man to be a Peronist because everything he is doing (and a lot of them are applauding what he's doing) totally goes against the traditional Peronist platform.

His efforts to privatize so many of the elements that need to be privatized go against the Peronist grain. The Peronists never accepted giving up jobs. It was always: How can we create more jobs? How can we have more control over industry and government so that we can make more jobs?

Menem is doing the right things and, in my opinion, taking action that Alfonsin should have taken, and didn't. Here's a Peronist who most believed would take a populist approach and, instead, is doing some very radical things. Not radical in the sense of Argentine party politics, but very brave things, and it looks like he's sticking with it. I admire him and wish him luck.

Certainly there are many who thought that he was going to be a loose cannon. During his campaign he said several things that concerned the State Department and probably the Brits. He was a politician who seemed to do the expedient and say what the crowd wanted to hear to get the vote. That may have been the case, but I think he is turning out to be a much stronger, more aggressive, and much braver leader than anybody thought he was going to be.

Q: Thank you very much, Mr. Ambassador. I know you have to go, so I think we'd better cut it off right here.

GILDRED: Okay, thank you.

End of interview